



## **ENVIRONMENTAL PROTECTION AGENCY**

**[FRL- 8956-01-OAR]**

### **Administration of Cross-State Air Pollution Rule Trading Program Assurance Provisions for 2020 Control Periods**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice of data availability.

**SUMMARY:** The Environmental Protection Agency (EPA) is providing notice of the availability of data on the administration of the assurance provisions of the Cross-State Air Pollution Rule (CSAPR) trading programs for the control periods in 2020. Total emissions of nitrogen oxides (NO<sub>x</sub>) reported by Mississippi and Missouri units participating in the CSAPR NO<sub>x</sub> Ozone Season Group 2 Trading Program during the 2020 control period exceeded the respective states' assurance levels under the program. Data demonstrating the exceedances and EPA's final calculations of the amounts of additional allowances that the owners and operators of certain Mississippi and Missouri units must surrender have been posted in a spreadsheet on EPA's website.

**DATES:** [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Questions concerning this action should be addressed to Garrett Powers at (202) 564-2300 or [powers.jamesg@epa.gov](mailto:powers.jamesg@epa.gov).

**SUPPLEMENTARY INFORMATION:** The regulations for each CSAPR trading program contain "assurance provisions" designed to ensure that the emissions reductions required from each state covered by the program occur within the state. If the total emissions from a given state's affected units exceed the state's assurance level under the program, then two allowances must be surrendered for each ton of emissions exceeding the assurance level (in addition to the

ordinary obligation to surrender one allowance for each ton of emissions). In the quarterly emissions reports covering the 2020 control period, Mississippi and Missouri units participating in the CSAPR NO<sub>x</sub> Ozone Season Group 2 Trading Program reported emissions that exceed the respective states' assurance levels under the program. Mississippi units exceeded that state's assurance level by 260 tons, resulting in a requirement for the surrender of 520 additional allowances, and Missouri units exceeded that state's assurance level by 2,438 tons, resulting in a requirement for the surrender of 4,876 additional allowances.

When a state's assurance level is exceeded, responsibility for surrendering the required additional allowances is apportioned among groups of units in the state represented by "common designated representatives" based on the extent to which each such group's emissions exceeded the group's share of the state's assurance level. For the CSAPR NO<sub>x</sub> Ozone Season Group 2 Trading Program, the procedures are set forth at 40 CFR 97.802 (definitions of "common designated representative," "common designated representative's assurance level," and "common designated representative's share"), 97.806(c)(2), and 97.825.

On May 17, 2021, EPA published a document in the *Federal Register* providing notice of the data relied on to determine the amount of the exceedances of the Mississippi and Missouri assurance levels and the preliminary calculations of the amounts of additional allowances that the owners and operators of certain Mississippi and Missouri units must surrender as a result of the exceedances and describing the process for submitting any objections (85 FR 29445). EPA received no written submissions objecting to the data and preliminary calculations.

In this document, EPA is providing notice of the final calculations of the amounts of additional allowances that must be surrendered. Responsibility for surrendering 520 additional allowances for the Mississippi exceedance has been apportioned between the groups of units operated by Entergy Corporation (302 allowances) and Mississippi Power Company (218 allowances). Responsibility for surrendering 4,876 additional allowances for the Missouri exceedance has been apportioned between the groups of units operated by Associated Electric

Cooperative, Inc. (4,862 allowances), the municipal utility of Chillicothe (2 allowances), and the municipal utility of Higginsville (12 allowances). Each set of owners and operators identified pursuant to this notice of the final calculations must hold the required additional allowances in an assurance account by November 1, 2021.

The data and final calculations are set forth in an Excel spreadsheet entitled “2020\_CSAPR\_assurance\_provision\_calculations\_final.xlsx” available at <http://www.epa.gov/csapr/csapr-assurance-provision-nodas>. The spreadsheet contains data for the 2020 control period showing, for each Mississippi and Missouri unit identified as affected under the CSAPR NO<sub>x</sub> Ozone Season Group 2 Trading Program, the amount of NO<sub>x</sub> emissions reported by the unit and the amount of CSAPR NO<sub>x</sub> Ozone Season Group 2 allowances allocated to the unit, including any allowances allocated from a new unit set-aside. The spreadsheet also contains calculations for the 2020 control period showing the total NO<sub>x</sub> emissions reported by all such units in each state and the amounts by which the total reported NO<sub>x</sub> emissions exceeded the respective states’ assurance levels under the program. Finally, the spreadsheet also includes calculations for the 2020 control period showing, for each common designated representative for a group of such units in each state, the common designated representative's share of the total reported NO<sub>x</sub> emissions, the common designated representative's share of the state's assurance level, and the amount of additional CSAPR NO<sub>x</sub> Ozone Season Group 2 allowances that the owners and operators of the units in the group must surrender.

(Authority: 40 CFR 97.825(b).)

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